O P JINDAL SCHOOL, Savitri Nagar, Tammar

Annual Examination– 2025-26

SUBJECT: Business Studies (054) **TIME ALLOWED: 3 HRS**
CLASS XI **MAX. MAKS- 80**

General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

1. Read the following Statements: Assertion (A) and Reason(R). Choose the correct alternative from those given below: **[1]**

Assertion[A]: Commerce refers to all those activities which are concerned with the transfer of goods and services from the producers to the consumers.

Reason[R]: Commerce embraces all those activities which are considered necessary for maintaining free flow of goods and services. It includes trade and auxiliaries to trade.

Alternatives:

(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).

(b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).

(c) Assertion (A) is true but Reason (R) is False

(d) Assertion (A) is False but Reason (R) is True.

2. As per section 464 of maximum limit of partners in a partnership business can be 100, But as per the Companies Rules 2014, the maximum limit of partner in partnership business can be . **[1]**

(a) Companies Act 2013, 50

(b) Partnership Act 1932, 50

(c) Companies Act 2013, 200

(d) Partnership Act 1932, 200

3. Match the columns and choose the correct alternatives: **[1]**

Column I	Column II
A. Protects the scientific Inventions	i. Copyright
B. A right conferred upon the creators of a Cinematographer	ii. Trademark
C. Protection given to aesthetic appearance	iii. Patent
D. Helps in distinguishing similar products	iv. Design

(a) A – iv, B – iii, C – i, D – ii **(b)** A – ii, B – iv, C – i, D – iii

(c) A – iii, B – i, C – iv, D – ii **(d)** A – iii, B – iv, C – ii, D –i

4. Statement I: The debenture holders of the company do not enjoy voting rights in the company. **[1]**
Statement II: Debentures are fixed charged funds and do not participate in profits of the company.
Choose the correct option from the following:

(a) Statement I is true and II is false

(b) Statement II is true and I is false

(c) Both the Statements are true

(d) Both the Statements are false

5. Dharamveer &Sons runs a retail shop in different parts of the country where some type of commodities are sold at uniform prices. identify the name of such retail stores. **[1]**

(a) Multiple shops

(b) Departmental stores

(c) Consumer Cooperative Store

(d) Mail Order Houses

6. Read the Statements given below and identify the whether insurable interest is present or not: **[1]**

(1) A company insuring the life of brand ambassador.

(2) Trustee holding the property on the behalf of others.

(3) Son taking insurance policy on the life of his father.

(4) Ms. Amrita taking insurance policy in the name of her friend.

(a) 1, 2, 3 are correct but 4 is incorrect.

(b) 1 and 2 are incorrect but 3 and 4 are correct.

(c) 1 is incorrect but 2, 3 and 4 are correct.

(d) 1, 4 are correct and 3, 2 are incorrect.

7. In the 2001 resolution on industrial policy, the number of industries exclusively reserved for the public sector was brought down. This means that the private sector can now enter all areas except these, and the public sector would have to compete with them. **[1]**

Which of the following areas are now exclusive to the public sector?

(a) Atomic energy **(b)**Arms **(c)** Communication **(d)** Railways

(a) Only a, b, and c

(b) Only a, c, and d

(c) Only a, b, and d

(d) Only b, c, and d

8. In the new digital market place banks and financial institutions have started providing services over the Internet. This type of service is provided by the banks on the Internet, lowers the transaction cost, adds value to the banking relationship and empowers customers. Name the service provided by the banks. **[1]**

(a) Electronic fund transfer **(b)** Automatic teller machine

© Credit card **(d)**All of the above

9. Which of the following statements about Public Private Partnership (PPP) is NOT TRUE? **[1]**

(a) PPP combines the efficiency of the private sector with the social responsibility of the public sector.

(b) In PPP, ownership of the project always remains with the private partner.

(c) PPP is commonly used in infrastructure development like roads, bridges, and hospitals.

(d) PPP allows risk sharing between the public and private sectors based on mutual agreement.

Instructions:

Read the following passage and answer the questions number <u>10 and 11</u>

Anil is a wholesale trader of packaged food items in Lucknow. He buys products like chips, biscuits, and ready-to-eat meals directly from manufacturing companies in large quantities. He stores them in his warehouse and distributes them to nearby retail shops. Anil does not sell directly to consumers.

One of his regular clients, Pooja, owns a retail grocery store called "Daily Needs". She buys limited quantities of products from Anil based on her shop's demand. Pooja sells directly to consumers, accepts payments via UPI, and often advises customers on product choices. She also provides home delivery for regular customers.

10. Who among the following is a wholesaler in the story? **[1]**

(a) Pooja, because she deals with food items

(b) Anil, because he sells directly to consumers

(c) Anil, because he buys in bulk from manufacturers and sells to retailers

(d) Pooja, because she offers home delivery

11. Which of the following correctly distinguishes between a wholesaler and a retailer? **[1]**

(a) Wholesalers buy in small quantities, while retailers buy in bulk

(b) Retailers serve as a link between manufacturers and wholesalers

(c) Wholesalers sell to retailers, whereas retailers sell to final consumers

(d) Retailers are involved in production, wholesalers are not

12. Geeta has Rs.20,000 in her account. She doesn't have any use of these for two years. To earn more interest which type of bank account she would be opened with the bank? **[1]**

(a) Recurring Deposit **(b)** Fixed Deposit **(c)** Current Account **(d)** Saving Account

13. Where is WTO headquartered? **[1]**

(a) Uruguay **(b)** Doha **(c)** Geneva **(d)** Washington

14. If Kuber Industries has investment in plant and machinery worth ₹ 19 crore, then it will be classified as: **[1]**

(a) Medium Enterprise **(b)** Micro Enterprise

© Small Enterprise **(d)** None of the above

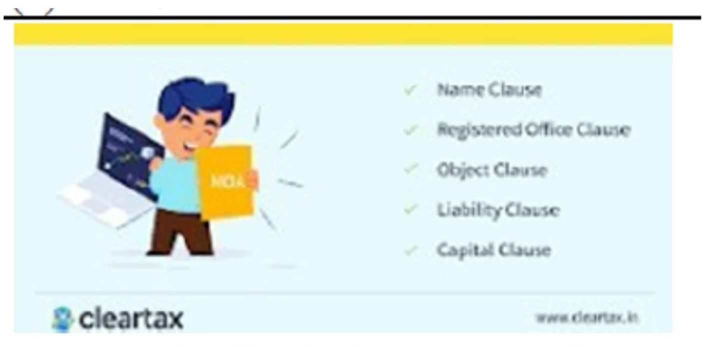
15. RITIKA an electronic engineer after completing her MBA from IIM Kolkata, wants to open her own business of generation of electricity through garbage. She knew that the demand for electricity is increasing day by day whereas it's generation is not sufficient. Secondly, India is facing the problem of garbage disposal also. She shared her business idea with some of her friends and they all liked it and agreed to join the business as owners. After detailed investigation about the idea, i.e., economically viable, technically feasible, RITIKA gave her idea a practical shape and got her company incorporated as ''Eco Electricity Ltd.'' After incorporation, the company issued share capital of 1 crore in the capital market. RITIKA wants to open her own business of generation of electricity through garbage. Specify the category of such type of industry. **[1]**

(a) Analytical **(b)** Extractive **(c)** Synthetic **(d)** Processing

16. Recipe of Dominos Pizaa comes under which Intellectual Property right? **[1]**

(a) Trade Secret (b) Patent (c) Copyright (d) None of these.

17. **[1]**



Identify the image through contents in the given picture

(a) Partnership deed **(b)** Memorandum of Association

(c) Articles of Association **(d)** Prospectus

18. Raja sells vegetables in a cycle rickshaw and moves from place to place. He provides them at the doorstep of his customers. Which type of itinerant trader he is? **[1]**

(a) Hawkers **(b)** Pedlars **(c)** Cheap jacks **(d)** Market traders

OR

Tamim is a trader dealing in low-cost fashionable footwear. In order to sell his goods, he opens his shop on fixed days in different market. In context of above case. Name the category of that type of retail trade is identified in above line.

(a) Market trader **(b)** Street trader © Cheap jacks **(d)** Peddlers and hawkers

19. **[1]**

Identify the image shown and classify which type of organization is this

(a) Departmental undertaking **(b)** Private Public Partnership

(c) Government Company **(d)** Joint Venture

20. Ravi, a 25-year-old commerce graduate, started a small café called "Brew & Bite" in his hometown. He invested his own savings, managed the daily operations, served customers, purchased supplies, and handled marketing himself. He didn't hire any partner or investor. Over time, his café became popular due to personal customer service and fresh menu ideas. However, during the monsoon season, Ravi suffered losses due to fewer customers. Still, he was determined to continue and bore all the losses himself. **[1]**

The fact that Ravi alone bore all the losses during the monsoon season highlights which limitation of a sole proprietorship?

(a) Lack of managerial skills **(b)** Limited liability

(c) Unlimited liability **(d)** Separate legal entity

21. Pari tells Mary in the presence of Kavita that Kavita is the partner in the firm of Pari Enterprises. Kavita shows no objection to the Startement of Pari. Mary gives a loan of Rs 50,000 to Pari Enterprises under the impression that Kavita is a partner in the firm. Later on, Pari enterprise was unable to repay the loan to Mary. Therefore, Mary filed a suit against Kavita to repay the loan. In return Kavita refused to repay the loan on the ground that he is not a partner in Pari Enterprises. But court took decision in the favour of Mary as Kavita knowingly allowed himself to be represented as a partner in the firm. **[3]**

a) Identify and explain the type of partner being highlighted in the above case.

b) Mention the implication which Kavita can have to be give impression as partner

22. Ramesh is engaged in manufacturing bangles in Jaipur he has invested Rs20,00,000 in the business. He is doing business for attaining an important Objectives of the business for that he thoughts Every businessman seeks to earn profit by satisfying the want of consumers. He is also thinking that no business can survive for long without earning sufficient profits., Survival Every business aims to ensure that it continues to survive and exist in the future., He also wants to Growth of the Business for that he is performing reinvesting the profit to grow and expand its activities. He is measured the growth in the business in terms of sales volume, market share, number of products, etc. **[3]**

Identify the objective of the business by quoting lines & explain in brief.

OR

Aman and Sandeep completed their studies and planned to start their own business instead of looking for job. Aman's father is working in Portland cement manufacturing company as supervisor. He told them that common materials used to manufacture cement include limestone, shells, and chalk or marl combined with shale, clay, slate, blast furnace slag, silicas and, and iron ore. He also told them that limestone is most often mined from a quarry which is done by Adarsh Ltd. He told them that his company is facing a problem of storing the limestone because of shortage of space. This gave theman idea to start aware-housing business. On the basis of the given information, answer the following questions:

a) Identify the different types of industries being discussed in above case.

b) Specify the category of type of industries to which the industries identified in part(a)

23. In 1995, representatives from various countries gathered to establish a global body aimed at promoting and regulating international trade. This organization was created to provide a permanent institutional framework that would help facilitate free and fair trade among nations. Over the years, the organization has played a critical role in resolving trade disputes, setting trade agreements, and ensuring that trade flows as smoothly and predictably as possible. **[3]**

Identify the concept and explain Its objectives.

24. Identify the following documents of external trade: **[3]**

a) This receipt is given by the commanding officer of the ship to the exporter after the cargo of loaded on the ship.

b) A Statement of the no. of cases/packs and the details of the goods contained in these packs.

c) It is a written instrument whereby the person issuing the instrument directs the other party to pay a specified amount to a certain person / the bearer of the instrument.

d) It is also known as a vehicle / gate pass.

25. A firm has a strong market presence and is considering reinvesting its profits (retained earnings) rather than taking on debt. **[4]**

In the light of the above statement write what are two advantages and two limitations of using retained earnings for expansion?

26. Mr. Sharma, a factory owner, had insured his factory against fire for ₹50 lakhs. Unfortunately, due to an electrical short circuit, a major fire broke out and caused damage worth ₹40 lakhs. When Mr. Sharma approached the insurance company for the claim, the surveyor confirmed the loss and the claim was settled. Later, it was discovered that Mr. Sharma also had another fire insurance policy from a different company for the same factory, with coverage of ₹30 lakhs. However, he had not informed either company about the other policy. **[4]**

Questions:

1. Which principle of insurance was **violated** by Mr. Sharma?
2. Name the principle that ensures that the **insured does not gain** from insurance.
3. What principle is applied when multiple insurance policies exist for the same subject matter?
4. How much compensation is Mr. Sharma **entitled to** in total?

27. A retail company, Mystra , operates two different business models. Its traditional business runs through a physical store, where customers can browse eco-friendly clothing and accessories, interact with sales staff, and purchase items in person. The store is open from 10 AM to 8 PM, and it primarily caters to local customers. **[4]**

Meanwhile, Mystra's e-business model offers the same products online, allowing customers to shop anytime, browse customer reviews, and have items shipped to their homes. The online store attracts a larger, global audience, with digital marketing campaigns reaching customers in multiple countries.

Based on the case, explain the differences between e-business and traditional business for Mystra. Use specific examples from the case to support your answer. (any 4 differences)

OR

Identify whether each transaction is B2B, B2C, C2C, or Intra B:

1. A manufacturer sells raw materials to a clothing company
2. A customer purchases a pair of shoes from an online retailer.
3. A person sells handmade crafts on Etsy to another individual.
4. An employee submits an expense report to the finance department of their company.

28. Topo is a well-known company in telecom sector. The company is committed to treat everyone fairly with respect and dignity, regardless is difference in age, caste, creed, gender etc. It not only abides by all the laws and pay taxes on time, but also make serve it participate in social services projects. It prefers to give fair advertisement without any exaggeration, and change fairly from its customers and maintain quality. Its managers work effectively and efficiently and minimize waste to maximize the return to their shareholders. The company is running a charitable hospital to provide medical facility to the people of **[4]**

that area**. In the context of the above case by quoting the line from the paragraph, identify any four Interest group towards, which company is fulfilling its social responsibilities.**

29. Universal enterprise is dealing in auto spare parts. With the expansion in business the enterprise found that the decisions are delayed and level of coordination is coming down. **[4]**

The CEO called for a meeting of all the managers. Rajiv a newly appointed manage suggested that company should have its own internet so that all the employees can interact and pass important information to each other through internet. Even short meetings different departments can be conducted through Video conferencing to take fast action The CEO liked the idea and installed an internet for connecting all the employees in line

(a) Which branch of e-business is suggested by Mr. Rajiv?

(b) What are the benefits provided by e-business?

OR

A retail company, Green Wear, operates two different business models. Its traditional business runs through a physical store, where customers can browse eco-friendly clothing and accessories, interact with sales staff, and purchase items in person. The store is open from 10 AM to 8 PM, and it primarily caters to local customers. Meanwhile, GreenWear's e-business model offers the same products online, allowing customers to shop anytime, browse customer reviews, and have items shipped to their homes. The online store attracts a larger, global audience, with digital marketing campaigns reaching customers in multiple countries.**Based on the case, explain the differences between e-business and traditional business for**

GreenWear. Use specific examples from the case to support your answer. (any 4)

30. Manisha started a business of Home Cleaning Services under the name of 'Care home'. Her total investment in the equipment is Rs. 75 lacs. **[4]**

(a) Identify the category in which her business will fall under Micro, Small and Medium Enterprises Development Act, 2006.

(b) State any three roles played by small business in India

31. Shyama Ltd. has good growth prospects. So the company is planning to expand its business. For this, the company needs additional funds. The finance manager reports that the company's assets are free to be mortgaged for the purpose of borrowings. However, the existing owners have to dilute their voting powers. **[6]**

(a) Identify and explain the source of finance which can be responsible for dilution of existing ownership control in Shyama Ltd.

(b) Explain the advantages of the source of finance identified above.

OR

Jaya Company Ltd, an LED lights manufacturing, the company has good growth prospects. The directors of the company are planning to expand their business. For this, the company needs additional funds. The finance manager reports that the company is not in a position to bear extra burden of paying any interest and do not want to bear any flotation costs even. Also, the equity shareholders insist, not to issue further shares as there is risk of dilution of control.

(a) Which source of finance will be most suitable for the company?

(b) Enumerate any three merits and two demerits of the source of finance identified in part (i).

32. (A) The Government of India has entered into a contract with a private sector company for developing a national highway. Under which the company will develop the highway and charge toll tax from vehicles plying on it. Name the form under which such a project is undertaken and explain any two of its features. **[6]**

(B) Bharat Heavy Electricals Limited (BHEL) owned and founded by the Government of India, is an engineering and manufacturing company based in New Delhi, India. It was established in 1964. BHEL is India's largest power generation equipment manufacturer. It is managed by the board of directors nominated by the government. As government is the majority shareholder, it exercises control over the affairs of the company

(i) How will you classify BHEL as a form of public sector enterprise?

(ii) BHEL was formed according to which Act?

(iii) The board of directors of the company are appointed by ___________ .

33. Indian railway is a part of railway ministry. It is organised, financed and controlled by railway ministry. The finances are allocated from government treasury and whatever revenue it earns is deposited to government treasury only. It is treated as a part of government and even the appointment, recruitment and selection of employees is done in the same way as that of civil servant. **[6]**

1. Name the type of public sector enterprise railway is considered as.

2. How does it get its finance?

3. Explain any four limitations of such enterprise.

34. An Indian company, Galaxy Mobiles Ltd., is planning to import lithium batteries from China for its new model of smartphones. The company has completed the following steps: **[6]**

1. Obtained the Import License – Galaxy Mobiles applied for and received permission to import batteries.

2. Placed the Import Order – The company sent a confirmed order to the Chinese supplier mentioning price, quantity, and delivery terms.

State & explain the next six steps of the import procedure?

GOOD LUCK